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S E C R E T SECTION 01 OF 02 BAGHDAD 003366

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TAGS: [PGOV](#) [IZ](#) [IR](#) [PINR](#)  
SUBJECT: MAYSAN: SADRIST FRICTION TOWARD GOI OVER  
RECONSTRUCTION FUNDS

Classified By: PRT Team Leader Dan Foote for reasons 1.4 (b) and (d).

¶1. (S/REL MCFI) Summary: Sadrists Zaid Khalaf al-Hoshi, Maysan Provincial Director of Reconstruction and Development and a leading aspirant to the Governor's office, expressed frustration to the PRT about how the central government has managed \$104 million earmarked for the province in the wake of military operations. His comments regarding politically motivated arrests, a recurring theme among Sadrists politicians, highlight the high level of provincial distrust toward the GOI. As Maysan moves toward, and beyond, provincial elections, reconciliation with the national government may prove to be a sticky challenge. End summary.

#### Sadrists Critique of GOI Reconstruction Goals

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¶2. (S/REL MCFI) PRT Deputy Team Leader and Governance Advisor discussed with Zaid al-Hoshi issues related to GOI reconstruction funds in an October 12 meeting at FOB Garry Owen. Zaid said that while related projects were beginning to enter the execution phase, the provincial government strongly disagrees with the utilization strategy for these funds, overseen by a central government committee led by the Prime Minister's Chief of Staff, Dr. Tariq. Mr. Zaid expressed concern over the fact that related projects do not mesh with the province's overall plan or address critical shortfalls.

¶3. (S/REL MCFI) Zaid claimed poor GOI oversight over reconstruction fund projects, citing several shoddy road projects and the fact that most of the workers hired under the central government's program did little or no work. (Earlier this year the central government allocated 20 billion Iraqi Dinar -- about 16 million USD -- in reconstruction funds to hire 11,000 workers for one year.) He acknowledged that a small portion of the money was being spent well, and mentioned equipment for health clinics as an example of worthwhile, funded projects.

¶4. (S/REL MCFI) In describing the provincial government's preferences for how the reconstruction funding should be directed in order to hinder militia recruitment, Zaid put job creation and housing programs for the disenfranchised at the top of the list. He specifically mentioned two proposals that had been rejected in Baghdad. The first was a large-scale project to construct apartment homes for 1,000 Maysani families over a 6- to 12-month period. The project would have the dual benefit of providing homes for people currently in public or substandard housing and creating jobs for laborers, workshops, factories, etc. The second proposal was a seemingly less well-defined "job creation program," which sounded like a New Deal-style effort to bring workers onto government rolls for various piece-work assignments.

#### Sadrists Prefer U.S. to Iraqi Jailers...

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¶5. (S/REL MCFI) Zaid was vocal about the role partisan politics played in Operation Good Tidings of Peace. He said

that 1,000 people were arrested during the operations but that less than 100 were actually accused of illegal behavior, and termed the operation as political revenge. Echoing the sentiment of other Sadrists leaders, Zaid said that while the ISF had arrested many innocent people at the direction of U.S. troops, the Americans respected human rights and allowed detainees to communicate with their families, unlike the ISF. "There is no trust between Iraqis," he summarized.

...and USG to GOI Reconstruction Projects  
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16. (S/REL MCFI) Mr. al-Hoshi praised the PRT and American military for following through on promises to fund projects, saying he felt he was therefore "half Iraqi, half American," and drew a direct contrast with the GOI record on that score. Zaid referred to a 400-bed surgical hospital and a 120 million USD water project as examples of promised projects from Baghdad that had been delayed or not executed without explanation.

17. (S/REL MCFI) Comment: This engagement underscored the deep distrust felt by Maysan,s Sadrists officials toward Baghdad. The improved security situation and poorly managed GOI reconstruction efforts appear to have further alienated the Sadrists. While Zaid al-Hoshi hopes to receive the Sadrists nod as their chief candidate for Governor, it is unclear whether party leaders are enthusiastic over his candidacy. In the run-up to provincial elections, political angling by the Sadrists to maintain control of Maysan,s provincial government will require close scrutiny. His Baghdad bashing and praise of USG efforts underline the challenge of

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reconciling Maysan Sadrists with the GOI, particularly if they fare well in provincial elections. End comment.  
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